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April 1, 2020

The Honorable Jovita Carranza Small Business Administration 409 3rd Street S.W. Washington, D.C. 20416

Dear Administrator Carranza:

I write today to urge the Small Business Administration (SBA) to consider the unique needs of Montana's locally owned taverns as the SBA issues guidance on the new Paycheck Protection Program authorized in the CARES Act. While Congress clearly intended for this program to help the hardest hit mainstreet businesses deal with COVID-19, there are some questions about the eligibility of mainstreet taverns that receive more than one third of their revenue from gaming. These establishments are important employers and often offer the only food options in some of our most frontier communities. As such, I urge the SBA to ensure that mainstreet, locally owned taverns are eligible for CARES Act programs.

Our country faces an unprecedented public health and economic turmoil from the COVID-19 pandemic. That's why Congress worked together to pass the CARES Act, which includes the Paycheck Protection Program. As an extension of the 7(a) program, the Paycheck Protection Program provides loans up to a maximum amount of \$10 million to cover operational costs. Designed to incentive businesses to keep their employees, businesses can qualify for loan forgiveness for maintaining their employees during this crisis. This is a critically important tool for businesses that are trying to keep up with their bills and take care of their workforce.

As SBA finalizes new initiatives authorized in the CARES Act, I urge you to ensure access for small businesses in the tavern industry that derive a portion of their revenue from legal gaming. These family-run small businesses must have access to the resources that Congress provided to ensure economic stability in our rural communities. We cannot leave them behind.

Thank you for your urgent attention to this matter. I look forward to your swift action.

Sincerely,

Jon Tester